



**ADVİK LABORATORIES LIMITED**

***NINETEENTH***  
***ANNUAL REPORT***  
***2012-13***

**(HEALTH IS OUR PRIME MOTTO)**

<b>Board of Directors</b>	Mr. V.K.Jain Mr. Peeyush Kumar Aggarwal Mr. Sachin Garg Mr. Kamal Kishore Sharma Mr. F. M. Banthiya Mr. A.P.Jain	-Managing Director -Director -Director -Director -Director -Director
<b>Company Secretary</b>	Ms. Anjali Kalra	
<b>Auditors</b>	VBR & Associates Chartered Accountants 205, Laxman Palace, 19, Veer Sawarkar Block Shakarpur, Delhi-110092.	
<b>Bankers</b>	Indian Overseas Bank HDFC Bank Punjab National Bank State Bank of India	
<b>Corporate Office</b>	807, Arunachal Building, 19 Barakhamba Road, Connaught Place New Delhi-110 001(INDIA) Tel No.: 91-11-43571040-45 FAX : 91-11-42424884 E-Mail: <a href="mailto:mail@advikindia.com">mail@advikindia.com</a> Website: <a href="http://www.advikindia.com">www.advikindia.com</a>	
<b>Registered Office &amp; Plant</b>	138, Roz-Ka-Meo, Industrial Area, Sohna, Distt. -Mewat (Haryana) INDIA Tel. No.: 0124-2362471,2014471	
<b>Share Transfer Agent</b>	Beetal Financial & Computer Services (P) Ltd. Beetal House, 3 <sup>rd</sup> Floor, 99, Madangir Behind Local Shopping Centre, Near Dada Harsukhdas Mandir New Delhi -110 062. Tel: 91-11-29961281/82 Fax: 91-11-29961284 E-mail: <a href="mailto:beetalrta@gmail.com">beetalrta@gmail.com</a>	

## **NOTICE**

Notice is hereby given that the 19<sup>th</sup> (Nineteenth) Annual General Meeting of the Members of **ADVIK LABORATORIES LIMITED** will be held on Friday, 27<sup>th</sup> September 2013 at 10.00 A.M at its Registered Office at 138, Roz- Ka - Meo, Industrial Area Sohna, Distt. Mewat-122 103 (Haryana) INDIA to transact the following business:

### **ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Balance Sheet as on 31<sup>st</sup> March 2013, the Profit & Loss account for the period ended on that date, Auditors Report and Directors Report thereon.
2. To appoint a Director in place of Shri. A. P. Jain who retires by rotation and being eligible, offer himself for reappointment.
3. To consider and thought fit, to pass, with or without modification(s) the following resolution as an ordinary resolution

**“RESOLVED THAT** pursuant to the provisions of Section 224(1) and other applicable provisions, if any, of the Companies Act, 1956, M/s RMA & Associates, Chartered Accountants, New Delhi, be and is hereby appointed as Statutory Auditors of the Company, to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company at a remuneration to be fixed by the Board of Directors and/or any committee thereof.”

### **SPECIAL BUSINESS:**

#### **4. Appointment of Mr. Peeyush Kumar Aggarwal as Director of the Company**

To consider and if, thought fit, to pass, the following resolution, with or without modification(s), as an Ordinary Resolution:

**“RESOLVED THAT** Mr. Peeyush Kumar Aggarwal who was appointed by the Board of Directors as an Additional Director of the Company with effect from **July 31, 2013** and who holds office upto the date of this Annual General Meeting in terms of Section 260 of the Companies Act, 1956 and in respect of whom the Company has received a notice in writing from a member under Section 257 of the Act, proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

#### **5. Appointment of Mr. Sachin Garg as Director of the Company**

To consider and if, thought fit, to pass, the following resolution, with or without modification(s), as an Ordinary Resolution:

**“RESOLVED THAT** Mr. Sachin Garg who was appointed by the Board of Directors as an Additional Director of the Company with effect from **July 31, 2013** and who holds office upto the date of this Annual General Meeting in terms of Section 260 of the Companies Act, 1956 and in respect of whom the Company has received a notice in writing from a member under Section 257 of the Act, proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

#### **6. Appointment of Mr. Kamal Kishore Sharma as Director of the Company**

To consider and if, thought fit, to pass, the following resolution, with or without modification(s), as an Ordinary Resolution:

**“RESOLVED THAT** Mr. Kamal Kishore Sharma who was appointed by the Board of Directors as an Additional Director of the Company with effect from **August 12, 2013** and who holds office upto the date of this Annual General Meeting in terms of Section 260 of the Companies Act, 1956 and in respect of whom the Company has received a notice in writing from a member under Section 257 of the Act, proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

#### **7. Increase in Authorised Share Capital of the Company**

To consider and, if thought fit, to pass, with or without modification(s), the Resolution for Increase in Authorized Share Capital as an Ordinary Resolution:

**“RESOLVED THAT** in accordance with the provisions of Section 94 and other applicable provisions, if any, of the Companies Act, 1956, including any statutory modifications or re-enactments thereof, for the time being in force, the present Authorized Share Capital of the Company be and is hereby increased from Rs. 12,00,00,000/- (Rupees Twelve Crores) divided into 1,20,00,000 (One Crores and Twenty Lakhs) Equity Shares of Rs. 10/- (Rupees Ten) each to Rs. 20,00,00,000/- (Rupees Twenty Crores) divided into 2,00,00,000 (Two Crores) Equity Shares of Rs. 10/- (Rupees Ten) each by creation of 80,00,000 (Eighty Lakhs) Equity Shares of Rs. 10/- (Rupees Ten only) each.”

**RESOLVED FURTHER THAT** pursuant to Section 16 and other applicable provisions, if any, of the Companies Act, 1956, the existing clause V of the Memorandum of Association of the Company as to share capital be and is hereby substituted as follows:

**“V. The Authorised Share Capital of the Company is Rs. 20,00,00,000/- (Rupees Twenty Crores Only) divided in to 2,00,00,000 (Two Crores) Equity Shares of Rs. 10/- (Rupees Ten Only) each.”**

## 8. Preferential Allotment of Equity Shares

To consider and, if thought fit, to pass, with or without modification(s), the following Resolution for the Preferential Allotment of Equity Shares and Warrants as a Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 81 (1A) and all other applicable provisions of the Companies Act, 1956 (“the Act”), if any (including any statutory modification(s) or re-enactment thereof, for the time being in force), the provisions of Chapter VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, (“SEBI (ICDR) Regulations, 2009”), as in force and subject to other applicable rules, regulations and guidelines of Securities and Exchange Board of India (SEBI) and enabling provisions of the Memorandum and Articles of Association of the Company and the Listing Agreements entered into between the Company and the Stock Exchanges, where the shares of the Company are listed and subject to requisite approvals, consents, permissions and/or sanctions, if any, of SEBI, the Stock Exchanges and other appropriate authorities, including Reserve Bank of India, as may be required and subject to such conditions as may be prescribed by any of them while granting any such approvals, consents, permissions, and/or sanctions and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as “the Board”, which term shall be deemed to include any Committee of Directors which the Board may have constituted or hereafter constitute, to exercise one or more of its power including the powers conferred on the Board by this resolution), the Board be and is hereby authorized to create, offer, issue and allot 56,75,350 (Fifty Six Lakhs Seventy Five Thousand Three Hundred and Fifty Only) Equity Shares of Rs. 10/- (Rupees Ten Only) each and 40,82,650 (Forty Lakhs Eighty Two Thousand Six Hundred and Fifty Only) Warrants, to be convertible at the option of Warrant holders in one or more tranches, within 18 months from the date of allotment into equivalent number of fully paid up Equity Share of the Company of face value of Rs.10/- each for cash at an exercise price of Rs. 10/- (Rupees Ten only) each or such other price as may be determined in accordance with the provisions of SEBI (ICDR) Regulations, 2009, on Preferential basis to the persons belonging to the Promoters and Non-Promoter Category as under:

Promoters/Non-Promoters Group	No. of Equity Shares	No. of Warrants
Promoters Group	22,57,650	22,42,350
Non-Promoters Group	34,17,700	18,40,300

**RESOLVED FURTHER THAT** aforesaid issue of Equity Shares and Warrants shall be subject to the following terms and conditions:

**A.** The proposed allottee(s) of Warrants shall, on the date of allotment of Warrants, pay an amount equivalent to at least 25% of the exercise price determined in terms of the SEBI (ICDR) Regulations, 2009. The balance 75% of the exercise price shall be payable on or before the conversion of said Warrants into Equity Shares, within a maximum permissible period of 18 months from the allotment thereof.

**B.** The proposed allottees of Equity Shares shall be required to bring in 100% of the consideration on the shares to be allotted to them, on or before the date of allotment thereof.

**C.** The proposed allottee(s) of Warrants will be entitled to apply for and obtain allotment of one equity share of face value of Rs. 10/- each of the Company against each Warrant at any time after the date of allotment but on or before the expiry of 18 months from the date of allotment thereof, in one or more tranches.

**D.** Equity Shares and Warrants and/or the Equity Shares to be allotted upon conversion of these Warrants shall be kept under lock in for such periods as may be prescribed by the SEBI (Issue of Capital And Disclosure Requirements) Regulations, 2009.

**E.** Equity Shares and Warrants so allotted under this resolution shall not be sold, transferred, hypothecated or encumbered in any manner during the period of lock-in as provided under SEBI (ICDR) Regulations except to the extent and in the manner permitted there under.

**RESOLVED FURTHER THAT** the Relevant Date, as per the SEBI (ICDR) Regulations, 2009, as amended up to date, for the determination of issue price of the Equity Shares and Warrants is August 28, 2013 i.e. 30 days prior to the date of Annual General Meeting on September 27, 2013.

**RESOLVED FURTHER THAT** the equity shares proposed to be so allotted shall rank pari passu in all respects including as to dividend, with the existing fully paid up equity shares of the Company, subject to the relevant provisions contained in the Memorandum and Articles of Association of the Company.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above, the Board be and is hereby authorized on behalf of the Company to take all actions and do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable, incidental or expedient to the issue or allotment of aforesaid Equity Shares and Warrants and listing of the Equity Shares with the stock exchange(s) and to resolve and settle all questions and difficulties that may arise in relation to the proposed issue, offer and allotment of any of the said Equity Shares and Warrants, the utilization of the issue proceeds and to do all acts, deeds and things in connection therewith and incidental thereto as the Board in its absolute discretion may deem fit, without being required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the powers conferred by this resolution on it, to any Committee of Directors, any other Director(s) or officer(s) of the Company to give effect to the aforesaid resolution.”

**By order of the Board of Directors  
For Advik Laboratories Limited**

**Place: New Delhi  
Dated: 19th August, 2013**

**Sd/-  
V.K. Jain  
Managing Director**

**NOTES:-**

- i. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE ON A POLL AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.
- ii. The proxy form should be lodged with the Company at its Registered Office at least 48 hours before the time of the meeting.

- iii. All documents referred to in the notice are open for inspection at the Registered Office of the Company between 11.00 a. m to 1.00 p.m. on any 10 (Ten) Working days prior to the date of the meeting and also at the meeting.
- iv. The Register of Members of the Company and Share Transfer Books shall remain closed from 25<sup>th</sup> September 2013 to 27<sup>th</sup> September, 2013 (both days inclusive)
- v. The members are requested to: -
  - i) Notify change in their address, if any.
  - ii) Send their queries, if any, at least 7 days in advance of the meeting so that the information can be made available at the meeting.
  - iii) Members/proxies should bring the attendance slip duly filled in for attending the meeting.
  - iv) Bring their copy of Annual Report while coming to attend the meeting.
- vi. Members holding shares in the same names under different folios are requested to apply for consolidation of such folios and send relevant share certificates.
- vii. Since the Shares of the Company are under Compulsory Demat form and hence those members are requested whose shares are under physical form to demat their shares.
- viii. The Ministry of Corporate affairs, Government of India, has taken a “ Green Initiative” by allowing paperless compliances by companies and has issued a circular No. 17/2011 dated 21<sup>st</sup> April 2011 and 18/2011 dated. 29<sup>th</sup> April 2011 stating that service of documents by a company can be made to its shareholders through electronic mode. This “Green Initiative” of the Government is commendable and will go a long way in protecting environment on sustainable basis. Your company accordingly supports this initiative of Government and already sent a communication to the members to register at their email ID with the RTA. For achieving this objective of green initiative, members are requested to register their email ID with the company/RTA on email ID [investors@advikindia.com](mailto:investors@advikindia.com) and [beetelrta@gmail.com](mailto:beetelrta@gmail.com).

**ANNEXURE TO THE NOTICE****EXPLANATORY STATEMENT PURSUANT TO SECTION 173 OF THE COMPANIES ACT, 1956****Item No. 4 to 5:**

The Board of Directors at its meeting held on July 31, 2013 had appointed Mr. Peeyush Kumar Aggarwal and Mr. Sachin Garg respectively as Additional Directors of the Company. As per provisions of Section 260 of the Companies Act, 1956, these Additional Directors hold office only upto the conclusion of this Annual General Meeting and are eligible for appointment as Directors. The Company has received a notice under Section 257 of the Companies Act, 1956, in respect of the aforesaid candidates, proposing their appointment as Directors of the Company.

Mr. Peeyush Kumar Aggarwal is a Fellow Member of the Institute of Chartered Accountants of India with his professional career spanning over 26 years and with over 15 years experience as a practicing CA covering the key areas of Corporate Laws, Finance & Taxation, Project Management, Imports & Exports, IT Consultancy, etc.

A first generation Entrepreneur having a clear business vision and practicing a hands- off approach, he has mastered the art of Mergers & Acquisitions. His business interests today are in the areas of Information Technology, Finance, Legal, Strategic Planning, Project Planning & execution, Import & Export, Share Registry, Stock Broking, Construction & Hospitality.

He is a very enthusiastic entrepreneur with diverse business interests. Mr. Peeyush Kumar Aggarwal is the Founder and Chairman of Omkam Group. Before starting the Group, he practiced as a Chartered Accountant for about 15 years. He is an emerging Venture Capitalist who has helped several young entrepreneurs in establishing and growing their dream businesses

Mr. Sachin Garg, aged 33 years, is a fellow Member of the Institute of Chartered Accountants of India. He has rich experience of more than 5 years. He has significant expertise in Corporate Laws, Audit, Finance & Taxation, Capital Markets, Project Management etc. He has always demonstrated a certain dynamism and foresight seen in the most pragmatic of professional.

Keeping in view the experience and expertise of these persons, the Board considers it desirable that the Company should continue to avail the services of Mr. Peeyush Kumar Aggarwal and Mr. Sachin Garg and accordingly recommends the Resolutions at Item Nos. 4 to 5 for approval by the Members.

None of the Directors, except Mr. Peeyush Kumar Aggarwal and Mr. Sachin Garg are concerned or interested in the Resolutions of the accompanying Notice relating to their own appointment.



**Item No. 6:**

The Board of Directors at its meeting held on August 12, 2013 had appointed Mr. Kamal Kishore Sharma as Additional Director of the Company. As per provisions of Section 260 of the Companies Act, 1956, the Additional Director holds office only upto the conclusion of this Annual General Meeting and is eligible for appointment as Director. The Company has received a notice under Section 257 of the Companies Act, 1956, in respect of the aforesaid candidates, proposing their appointment as Director of the Company.

Mr. Kamal Kishore Sharma, aged 49 years, is a Graduate (B.Com) from Delhi University. He has a rich experience of more than 20 years. He is having expertise in the field of Management Accounting and Core Corporate Financing etc. He is also having well versified knowledge in the field of Capital Market. He contributes best of his capabilities towards the financial growth of the organisation.

Keeping in view the experience and expertise of Mr. Kamal Kishore Sharma, the Board considers it desirable that the Company should continue to avail the services of Mr. Kamal Kishore Sharma and accordingly recommends the Resolution at Item No. 6 for approval by the Members.

None of the Directors, except Mr. Kamal Kishore Sharma is concerned or interested in the Resolution of the accompanying Notice relating to his own appointment.

**Item No. 7:**

The present Authorized Capital of the company is Rs.12,00,00,000/- (Rupees Twelve Crores) divided into 1,20,00,000 (One Crores and Twenty Lakhs) Equity Shares of Rs. 10/- (Rupees Ten Only) each. It is proposed to increase the Authorised Share capital to Rs. 20,00,00,000/- (Rupees Twenty Crores) divided into 2,00,00,000 (Two Crores) Equity Shares of Rs. 10/- (Rupees Ten) each by creation of additional 80,00,000 (Eighty Lakhs) Equity Shares of Rs. 10/- (Rupees Ten only) each by Amending Clause V of the Memorandum of Association.

The increase in Authorised Share Capital will enable the Company to issue and allot Equity Shares per se and upon conversion of Warrants to be issued in terms of the recommendations of the Board placed at Item No. 8 before this meeting.

None of the Directors of the Company is, in any way, concerned or interested in the said resolution, except to the extent of their shareholding.

The Board of Directors recommends the resolution for the approval of the shareholders.

**Item No. 8:**

With a view to augment funds to meet additional working capital requirements of the growing business, the Board of Directors, has been considering and discussing the proposal of making preferential allotment of securities to the Promoters/ Non Promoter Category. In its Meeting held on 19th August, 2013, it approved the decision to make preferential allotment of

Equity Shares and Warrants to the Promoter and Non-Promoter category, to the extent of 56,75,350 (Fifty Six Lakhs Seventy Five Thousand Three Hundred and Fifty Only) Equity Shares of face value of Rs. 10/- each and 40,82,650 (Forty Lakhs Eighty Two Thousand Six Hundred and Fifty Only) Warrants convertible into equivalent number of Equity Shares of face value of Rs. 10/- each at an issue price of Rs.10/- (Rupees Ten Only) or such other price as may be determined in accordance with the provisions Chapter VII of the SEBI (ICDR) Regulations, 2009 and any amendments thereto.

Pursuant to provisions of Section 81 (1A) of Companies Act, 1956, any preferential allotment of securities, is needed to be approved by the shareholders by way of Special Resolution. Further, in terms of Regulation 73 of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, the following disclosures are needed to be made in the Explanatory Statement to the Notice of General Meeting:

**A. Objects of the issue:**

The Company is enjoying status in pharmaceuticals industry at various fronts such as high product quality, a growing range of products, state of the art manufacturing process, competitive pricing and customer service. In addition, the Company exports its wide range of drugs to a number of countries worldwide.

Seeing the prospects of its burgeoning business and to meet the working capital requirements, the Company has proposed preferential issue of Equity Shares and Warrants to Promoter and Non-Promoter Group. Thus, the object of the proposed preferential issue is to meet the additional working capital requirements of the growing business.

**B. Intention of promoters/directors/ key management persons to subscribe to the offer:**

The proposed allottees, Mr. Peeyush Kumar Aggarwal and M/s Omkam Pharmaceuticals Pvt. Ltd., belonging to the Promoter Group, have shown their interest to subscribe to the Equity Shares and Warrants at an issue price of Rs. 10/- (Rupees Ten Only) per share/warrant or such other price as may be determined in compliance with the provisions of the SEBI (ICDR) Regulations, 2009 and any amendments thereto.

**C. Relevant Date and Issue price:**

The Relevant Date for the purpose of determining the pricing of shares arising out of Warrants in accordance with Chapter VII of SEBI (ICDR) Regulations, 2009 is August 28, 2013 (i.e. 30 days prior to the date of Annual General meeting).

The Equity Shares and Warrants will be allotted in accordance with the price determined in terms of Regulation 76 of the SEBI (ICDR) Regulations, 2009.

The issue/exercise price of the proposed Equity Shares and Warrants will be Rs. 10/- each or such other higher price as may be determined by the Board in compliance with the provisions